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S E C R E T SECTION 01 OF 02 THE HAGUE 000091

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TAGS: PREL ECON PARM KNNP PINR IR NL

SUBJECT: NETHERLANDS/IRAN: DUTCH ASSESSMENT FROM TEHRAN

REF: A. THE HAGUE 87

¶B. THE HAGUE 2

¶C. 08 THE HAGUE 1013

1D. 08 THE HAGUE 623

**1**E. 08 THE HAGUE 355

Classified By: Political-Economic Counselor Andrew C. Mann for reasons 1.5(b,d)

11. (S) SUMMARY: A senior Dutch official posted to Tehran emphasized that the regime is still seeking nuclear weapons, is increasing oppression, and is facing pressure due to a sagging economy. The diplomat offered suggestions for U.S. diplomacy and intelligence work, and he described the difficulties of diplomatic life in Tehran. END SUMMARY.

## "CLEARLY GOING AFTER THE BOMB"

12. (C) Andre van Wiggen, DCM in the Dutch Embassy in Tehran since September 2008, assessed the situation in Iran during a February 10 meeting with embassy staff. He said the Iranians are "clearly going after the bomb." The purpose of their enrichment program is to test a bomb, rather than to build an effective weapon, in order to strengthen their negotiating position with the West. Van Wiggen is skeptical of Israeli intelligence on Iran but believes the Iranians are aiming for 900 kilograms of low enriched uranium. Rumors suggest they may already have that much. The Iranians would use that material to prepare 40 kilograms of highly enriched uranium (HEU), enough to make two bombs. The Dutch believe the Iranians would need nine thousand centrifuges to create the HEU. Current estimates are that they have between one and six thousand centrifuges. However, many of the centrifuges are Iranian-built and are breaking down. Reacting to a recent Dutch government decision to limit subjects available to Iranians for study, van Wiggen added that both Iranian officials and some Dutch university staff are pressuring the Dutch government to allow more Iranian students to study nuclear science. They argue the technology the students

would have access to would only be applicable for civilian nuclear use. (Note: Post has no indication the government

plans to change its academic limitations on Iranian

## GROWING OPPRESSION

students.)

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13. (C) A contact of van Wiggen's told him that Supreme Leader Khamenei was not happy with former president Khatami's decision to run for president, but Khatami,s candidacy was not immediately disqualified. In van Wiggen's view, however, if Khatami is allowed to run, and if the election is fair, the more liberal Khatami has a chance to win. Nonetheless, van Wiggen, who served in Tehran in the 90s, noted the reform movements of that time (e.g., discussion groups and public availability of foreign publications) had disappeared. Van Wiggen and his two Dutch employees who cover human rights have found the situation has deteriorated in the last six months. Iran is "ahead of schedule" with its number of executions in January 2009. There is additional pressure on

Baha'is and human rights activists. When van Wiggen asked about recent government actions against Nobel-prize laureate Shirin Ebadi (for failing to react publicly against Israel after the recent incidents in Gaza), the Iranian MFA Director of European Affairs responded, "we decide how far she can go."

- 14. (C) The Dutch have already allocated 80 per cent of their one million euro 2009 human rights program. The Dutch direct funds to UN agencies because the embassy cannot work with local NGOs. However, the GOI is even clamping down on UN activities. The Dutch have found the Afghan embassy in Tehran particularly helpful with information and contacts on human rights.
- ¶5. (C) Dutch-Iranian Al Mansouri, charged with terrorism, has Q5. (C) Dutch-Iranian Al Mansouri, charged with terrorism, has been sentenced to 15 years in prison. Van Wiggen noted Dutch negotiations with Iran on Al Mansouri's case followed the standard approach -- Iran threatened the death penalty and then after delay and extensive negotiations concluded with a 15-year sentence. Van Wiggen expects Al Mansouri will be released after three years. The Dutch intend to keep the issue quiet while providing consular services. They have not had direct contact with Al Mansouri in prison, but have been in touch with his family.
- 16. (C) Van Wiggen reported there was a low-level insurgency in the south by Sunnis protesting repression by the Sh,ia majority. He has heard that more than 100 policemen had been killed in violent protests in southeast provinces recently.

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- 17. (C) Van Wiggen described Iran's economy as "very bad." The real estate market is "dead." (Note: This is important because many senior government officials and religious leaders have invested in real estate. End Note.) Iranian business contacts complain they cannot get cash or lines of credit. In fact, van Wiggen was approached by a businessman who asked him to carry cash out of Iran and deposit it in the businessman's European accounts. A lot of Iranian business is channeled through Dubai, and that business can be tracked by changing registrations at the Dubai Chamber of Commerce.
- 18. (C) The economic situation is pressuring the Government of Iran, which spends about 40 per cent of its budget on subsidies, mostly for fuel. Previously, Van Wiggen thought the economic situation might benefit the Government of Iran's efforts to develop nuclear weapons, but he now believes the West's sanctions are working "slowly." However, the sanctions are not targeting the right people. Businessmen, rather than regime figures, are most affected. However, because much of the "clergy" has invested in the collapsed real estate market, there may be social unrest.

## RECOMMENDATIONS FOR THE UNITED STATES

- 19. (C) Van Wiggen, previously a good embassy contact on counterterrorism issues, also commented on U.S.-Iran bilateral relations. President Ahmadinejad's most recent response to President Obama was encouraging, but he did not see the prospect for progress until after the June presidential elections. If Khatami were to win, he would probably permit a U.S. interest section. However, "both sides need to give in" on some of their issues. Any U.S. contact with the son of the Shah Reza Pahlavi would sour relations.
- 110. (C) According to van Wiggen, there is substantial interest among Iranian parliamentarians for an exchange with U.S. counterparts (and with European parliamentarians as well). He thought that might be one avenue to build bridges.

111. (S) Van Wiggen said the Dutch are ready to share information. However, he emphasized he would share information in a reciprocal basis, and that he would talk with us under strict guidance by his ministry. He said the Dutch are willing to check into firms that may be doing business in Tehran, given concrete information/leads to follow. On the subject of Iranian involvement in Afghanistan, the Afghan ambassador in Tehran told van Wiggen Afghan military officials complain of Al Qaeda activities based across the border in Iran. Van Wiggen believes Al Qaeda has a deal with Iran that permits them to use camps in Iran as long as they do not attack Iranian interests.

## DIPLOMACY IN TEHRAN

- ¶12. (S) Reviewing his interactions with the Iranian MFA, Van Wiggen said his contacts make offensive statements and he pushes back, though more diplomatically. The Dutch have one of two embassies in Tehran with facilities for secure discussions and use secure "Tiger" phones, as necessary. The Iranian security service scrutiny is intense, and all embassies' locally employed staff are harassed. Dutch officials must notify the GOI MFA of any travel to the southeast but are free to travel to the north.
- 113. (C) Van Wiggen noted that the head of the Interest Section was sent back to Switzerland several months ago, and rumors suggest he had an inappropriate public relationship with an Iranian national. Such an action fits with van Wiggen's assessment of the Interests Section as unprofessional, and focused on administrative issues rather Qunprofessional, and focused on administrative issues rather than political analysis. The Swiss embassy, however, is effective.
- 114. (C) Van Wiggen added that traffic in Tehran is horrific, and joked that it must have be one of the regime's tools of oppression. Life in Tehran is difficult, and the Dutch try to take one week away from Iran every three months.

  GALLAGHER